

Policy on Appropriate Uses of Miscellaneous Obligations

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Introduction

- A miscellaneous obligation in FBMS is defined as a type of obligating document not processed through the typical acquisition process.
 - Inter/Intra-Agency Agreements (not subject to FAR Part 17.5)
 - Travel
 - Training
 - Charge Card
 - Other Authorized Purchases

*The items listed above are typical of MO transactions. The list is not comprehensive nor represent approval for the creation of an MO.

- The FBMS roles that can create MOs contain the transaction ME21N.
 - Roles consist of the following:
 - AP_CA
 - AP_IMO
 - AP_MO
 - AP_RA
 - 241 BLM FBMS users have this capability (as of 6/30)

“The user of MO is only appropriate under limited circumstances.”



Roles and Responsibilities

“The authority to create an MO in the finance system should be extremely limited, as this responsibility is similar to the financial liability and accountability associated with creating a contract award. The individual who creates the MO bears the responsibility for the accuracy and accountability of these actions.”

- **Controls Reviews**
 - States and Programs to perform annual review of those individuals with the MO role(s) for continued need.
 - States and Programs to perform annual review of internal controls to identify weaknesses.
 - Should be reviewed bi-annually as part of the UDO Certification Process.
- **Creation of MO Controls (All 3 roles need to sign, 2 unique signatures)**
 - Signature of the initiator of the Miscellaneous Obligations
 - Signature of a budget officer or designee
 - Signature of the individual who creates MO in FBMS
- **Backup documentation needs to be attached in FBMS**
 - *If the MO is with a vendor or another Federal agency, then a contracting officer is also required to sign the documentation.



Appropriate Use of Miscellaneous Obligations

Question	Take the following action if the answer is...	
	"Yes"	"No"
1. Is the document covered under Federal Acquisition Regulations (FAR)?	Do not process the document as a miscellaneous obligation.*	The document may qualify as an appropriate miscellaneous obligation. Proceed to the next question.
2. Is the document covered under a contract?	Do not process the document as a miscellaneous obligation.*	The document may qualify as an appropriate miscellaneous obligation. Proceed to the next question.
3. Is it standard practice for the document to be processed through PRISM (for FBMS) or PD-IDEAS (for FFS)?	Do not process the document as a miscellaneous obligation.*	The document may qualify as an appropriate miscellaneous obligation if it is allowed under bureau guidance. Refer to Section 5.2 for common uses and associated requirements.
4. Is this document covered under a financial assistance program?	Do not process the document as a miscellaneous obligation.*	The document may qualify as an appropriate miscellaneous obligation. Review the Catalog of Federal Domestic Assistance for a synopsis of each grant and cooperative agreement program to ensure the document is not covered under a financial assistance program.
5. Is the document covered under regulations that govern space leases?	Do not process the document as a miscellaneous obligation.*	The document may qualify as an appropriate miscellaneous obligation.
6. Is the document covered under a module in FBMS?	Do not process the document as a miscellaneous obligation.*	The document may qualify as an appropriate miscellaneous obligation.
7. Is the document an inter-agency agreement under the Economy Act with a Federal agency other than the Government Printing Office (GPO)?	Do not process the document as a miscellaneous obligation since inter-agency agreements under the Economy Act are covered under FAR.	The document may qualify as an appropriate miscellaneous obligation.
8. Is the document associated with a land acquisition (e.g., appraisal or title services)?	Do not process the document as a miscellaneous obligation. These types of related transactions should be handled as a contract.	The document may qualify as an appropriate miscellaneous obligation.

*See Section 5.3 of US Department of Interior Miscellaneous Obligations Policy and BLM IM 2013-114 for waiver process. If waivers listed in Section 5.3 are not applicable, waiver may not be applied.



Appropriate Use of Miscellaneous Obligations

<i>Appropriate Use of Miscellaneous Obligations</i>	<i>Example Justification / Reasoning</i>	<i>Example Required Supporting Documentation*</i>
AutoChoice	FBMS/FFS is not currently configured to handle these transactions.	Purchase request or delivery order
General Services Administration (GSA) Reimbursable Work Agreement (RWA)	This type of agreement is for GSA owned and managed space.	Signed RWA (Form 2957)
Government Printing Office (GPO) requests	This type of inter-agency agreement cannot be sent through normal business processes.	Printing request forms
Inter- / Intra-Agency Agreements	Certain inter/intra-agency agreements cannot be processed through normal business processes. Example: Internal transfers between Departmental offices. Note: This does not include agreements that are subject to the Economy Act under the FAR.	Signed agreement or other support
Training	Reimbursements for training are paid to employees and external vendors and are not subject to procurement regulations. Example: Entry fees for approved training courses.	Signed SF-182
Land acquisition	The land management bureaus have the authority to obligate funds for land acquisitions. This authority does not fall under the FAR and is covered under another legal authority / statute.	Real estate contract
Legal authority / statute	These documents may require that payments / settlements are made outside of normal business processes. These guidelines are established within the statutes. Example: White Earth Land Settlement Act (WELSA). Settlement payments under the act are obligated as MO because the court order is not a contract.	Legal authority / statute document, signed court order, or other form of support
Government Bills of Lading (GBLs)	When shipping items either through contract or from one agency to another and shipping costs exceed \$250.00, then a GBL should be issued.	Signed SF-1103
Legal Settlements	These documents are usually generated as a result of a court order or as a settlement agreement. Example: EEO Settlements and other Legal Settlements, Tort Claims.	Court order or judgment or other form of legal documentation Signed SF-1145 for a Tort Claim
Federally-declared emergency	In cases where the President or other government-wide designated official (FEMA, Homeland Security) has declared a national emergency, and procurements are required and due to loss of power the charge card or convenience check are unusable (they are the first priorities for use); then vendor invoices as approved by a contingency contracting officer.	Written order by contingency contracting officer and approved invoice



Waiver Process

5.3 Understanding Waivers Related to the Appropriate Use of Miscellaneous Obligations

"Document Not Covered Under Policy" Waiver

If the Department and bureau policies/guidance do not identify a type of transaction that the user believes is an appropriate use of miscellaneous obligations, the user may seek an "exception" waiver to the policy.

The waiver request needs to include:

- Document type
- Justification for use of the miscellaneous obligation document
- Associated supporting documentation.

In the case of a waiver request the BLM waiver authority will rest with the State Procurement Analyst who will make the final determination. Should approval be granted, the State Procurement Analyst will send complete request package with associated documentation to Eric Pagal, WO, epagal@blm.gov, who will send completed package to the Department.

Bureau approved requests of waivers need to be communicated to PFM. A copy of the approved waiver must then be sent to Michael Anthony, Staff Accountant in PFM at (202) 208-6824 or via e-mail at Michael_Anthony@ios.doi.gov.



Documentation in FBMS

Instructions for attaching MO documentation is located on the BLM FBMS SharePoint site.

- <http://teamspace/sites/fbms/default.aspx>
- Standard Operating Procedures document is titled *“How to Attach Documents to MOs”*
 - What to Attached? See slide 5 column 3 – *“Required Supporting Documentation”*
 - Include Period of Performance.
 - When in doubt, more documentation is better.

Document, Document, Document



Oversight and Review

- **Bi-Annual UDO Certification**
- **OMB A-123**
- **Financial Statement Audit**
- **Additional Reviews**
 - To determine validity and accuracy
 - Supporting Documentation sufficient
 - Within period of performance
 - Age cannot be older than 3 years
 - MOs that fail to meet this criteria will be immediately deobligated.



Role of Procurement Analysts/Contracting Officers

- What should you do to assist the effort?
 - Communicate difference between Purchase Orders/procurement and MOs.
 - Be engaged with customers and management to ensure appropriate document is used.
 - Support validation of MOs.
 - MOs that are improperly used should be handled as a “ratification of unauthorized procurement”.
 - Approve waiver where appropriate and send approved documentation to BPC.
 - Serve as a resource for individuals not familiar with procurement and MOs.



Questions

